

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

CONSTANT COMPLIANCE, INC.)	
)	
Plaintiff-Counterclaim Defendant,)	Civil Action No. 08 CV 3724
)	
v.)	Judge Wayne R. Andersen
)	
EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC. AND HACH COMPANY)	Magistrate Judge Sidney I. Schenkier
)	
)	Jury Trial Demanded
Defendants-Counterclaim Plaintiffs.)	

**EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC.'S
ANSWER, AFFIRMATIVE DEFENSES, AND COUNTERCLAIMS TO
PLAINTIFF'S FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT**

Defendant Emerson Process Management Power & Water Solutions, Inc. (hereinafter "Emerson Power & Water"), through its undersigned counsel, answers the allegations of Plaintiff's FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT, filed by Plaintiff Constant Compliance, Inc. (hereinafter "2Ci"), as follows. Except as expressly stated hereinafter, Emerson Power & Water DENIES each allegation contained in the amended complaint.

NATURE OF LAWSUIT

1. This is a claim for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This Court has exclusive jurisdiction over the subject matter of the Complaint under 28 U.S.C. § 1338(a).

ANSWER: Emerson Power & Water does not dispute that 2Ci has advanced claims of patent infringement or that the Court has subject matter jurisdiction over this case.

PARTIES

2. 2Ci is an Illinois corporation with offices in 140 South Dearborn Street, Suite 411, Chicago, IL 60603. 2Ci is in the business of, among other things, commercializing its

inventions relating to water and wastewater system monitoring. As a small water and wastewater system technology company, 2Ci depends on the protections of the patent system to attract investors, fund operations, and commercialize technology that protects the nation's water and wastewater systems from intentional or accidental contamination.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 2 of the amended complaint and therefore DENIES the same.

3. Dr. Prasad S. Kodukula and Charles R. Stack are the two sole shareholders, directors, and officers of 2Ci, as well as the sole inventors of the patent-in-suit. Dr. Kodukula and Mr. Stack have been awarded three United States patents that relate to water and wastewater system monitoring, and have several additional patent applications pending.

ANSWER: Emerson Power & Water ADMITS that "Prasad S. Kodukula" and "Charles R. Stack" are listed as inventors on U.S. Patent No. 6,845,336 (hereinafter "the '336 Patent"), entitled "Water Treatment Monitoring System," which the United States Patent and Trademark office issued on January 18, 2005. Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of all remaining allegations of paragraph 3 of the amended complaint and therefore DENIES the same.

4. 2Ci is the assignee of the patent-in-suit. 2Ci owns all right title and interest in and has standing to sue for infringement of United States Patent No. 6,845,336 entitled "Water Treatment Monitoring System" which issued on January 18, 2005 (the '336 Patent'). 2Ci has complied with the provisions of 35 U.S.C. § 287(a) with respect to the 2Ci Patents.

ANSWER: Emerson Power & Water ADMITS that on January 18, 2005, the United States Patent and Trademark Office issued the '336 Patent, entitled "Water Treatment Monitoring System." Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of all remaining allegations contained in paragraph 4 of the amended complaint and therefore DENIES the same.

5. 2Ci is a pioneer in the field of water and wastewater system monitoring, and received the Innovate Illinois Award in March 2005 as Illinois' most innovative environmental small business. The environmental innovations for which 2Ci received that award included the '336 patent.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 5 of the amended complaint and therefore DENIES the same.

6. Defendant Emerson is a Delaware corporation with corporate headquarters at 200 Beta Dr., Pittsburgh, Pennsylvania 15238. Emerson's registered agent, CT Corporation System, is located at 208 S. LaSalle St., Ste. 814, Chicago, IL 60604.

ANSWER: Emerson Power & Water ADMITS it is a Delaware corporation with its principal place of business at 200 Beta Dr., Pittsburgh, Pennsylvania 15238. Emerson Power & Water ADMITS its registered agent in Illinois is CT Corporation located at 208 S. LaSalle Street, Suite 814, Chicago, Illinois.

7. Emerson makes, uses, sells, offers for sale and/or imports water and wastewater system monitoring technology.

ANSWER: Emerson Power & Water does not understand what 2Ci means by "water and wastewater system monitoring technology." Emerson Power & Water offers for sale systems that oversee water and wastewater treatment processes. Emerson Power & Water DENIES all remaining allegations contained in paragraph 7 of the amended complaint.

8. Defendant Hach is a Colorado corporation with corporate headquarters at 5600 Lindbergh Dr., Loveland, Colorado 80538. Hach's registered agent, CT Corporation System, is located at 208 S. LaSalle St., Ste. 814, Chicago, IL 60604.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 8 of the amended complaint and therefore DENIES the same.

9. Hach makes, uses, sells, offers for sale and/or imports water and wastewater system monitoring technology.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 9 of the amended complaint and therefore DENIES the same.

JURISDICTION AND VENUE

10. This Court has exclusive jurisdiction over the subject matter of this case under 28 U.S.C. § 1338(a).

ANSWER: Emerson Power & Water does not dispute that the Court has subject matter jurisdiction over this case.

11. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and 1400(b). Emerson and Hach transact business in this district and have committed acts of infringement in this judicial district, at least by offering to sell or selling infringing water and wastewater monitoring systems and through Internet websites that are designed to reach Illinois customers and are, in fact, used by customers in this judicial district.

ANSWER: Emerson Power & Water ADMITS that venue in this judicial district is proper under 28 U.S.C. sections 1391 and 1400(b) and that it transacts business in this judicial district. Emerson Power & Water DENIES all remaining allegations in paragraph 11 of the amended complaint, including but not limited to the allegation that Emerson has committed acts of infringement.

PATENT INFRINGEMENT

12. Emerson has directly and/or indirectly infringed at least one claim of each of the '336 Patent through, among other activities, the manufacture, use, importation, sale and/or offer for sale of the Ovation Expert System.

ANSWER: Emerson Power & Water DENIES all the allegations contained in paragraph 12 of the amended complaint.

13. 2Ci gave Emerson actual notice of its infringement of the '336 Patent by letter dated July 8, 2008. Emerson's infringement has occurred with knowledge of the '336 Patent and has been willful in violation of 35 U.S.C. § 284 ¶ 2. Emerson's infringement has injured and will continue to injury 2Ci, unless and until this Court enters and [sic] injunction prohibiting further infringement and, specifically, enjoining further manufacture, use, importation, offers for sale and/or sale of Emerson products and services that fall within the scope of the '336 Patent.

ANSWER: Emerson Power & Water ADMITS that that it received the July 8, 2008 letter from Constant Compliance, Inc. that is attached as Exhibit A. Emerson Power & Water DENIES all remaining allegations in Paragraph 13. Emerson Power & Water specifically DENIES infringing or willfully infringing the '336 Patent and that 2Ci has been or will be injured by any act of Emerson Power & Water.

14. Emerson has contributorily infringed or induced others to infringe (such as its customers in this judicial district and throughout the United States) of at least one claim of the '336 Patent in violation of 35 U.S.C. § 271 through, among other activities, providing water and wastewater process monitoring systems and demonstrating and instructing others of how to utilize its remote monitoring capabilities.

ANSWER: Emerson Power & Water DENIES all the allegations contained in paragraph 14 of the amended complaint.

15. Emerson's infringement, contributory infringement, and/or inducement to infringe has injured 2Ci and 2Ci is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

ANSWER: Emerson Power & Water DENIES all the allegations contained in paragraph 15 of the amended complaint.

16. Hach has directly and/or indirectly infringed at least one claim of each of the '336 Patent through, among other activities, the manufacture, use, importation, sale and/or offer for sale of the Guardian Blue Early Warning System.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16 of the amended complaint and therefore DENIES the same.

17. 2Ci gave Hach actual notice of its infringement of the '336 Patent by letter dated January 15, 2008. Hach's infringement has occurred with knowledge of the '336 Patent and has been willful in violation of 35 U.S.C. § 284 ¶ 2. Hach's infringement has injured and will continue to injure 2Ci, unless and until this Court enters and [sic] injunction prohibiting further infringement and, specifically, enjoining further manufacture, use, importation, offers for sale and/or sale of Hach products and services that fall within the scope of the '336 Patent.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 17 of the amended complaint and therefore DENIES the same.

18. Hach has contributorily infringed or induced others to infringe (such as its customers in this judicial district and throughout the United States) of at least one claim of the '336 Patent in violation of 35 U.S.C. § 271 through, among other activities, providing water and wastewater process monitoring systems and demonstrating and instructing others of how to utilize its remote monitoring capabilities.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 18 of the amended complaint and therefore DENIES the same.

19. Hach's infringement, contributory infringement, and/or inducement to infringe has injured 2Ci and 2Ci is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

ANSWER: Emerson Power & Water lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 19 of the amended complaint and therefore DENIES the same.

PRAYER FOR RELIEF

Emerson Power & Water DENIES that 2Ci is entitled to any relief, and specifically DENIES that 2Ci is entitled to the relief set forth in paragraphs (A) through (E) of 2Ci's prayer for relief.

AFFIRMATIVE DEFENSES

First Affirmative Defense

The claims of the '336 patent have not been: (i) directly infringed by Emerson Power & Water; (ii) contributorily infringed by Emerson Power & Water; or (iii) infringed by active inducement by Emerson Power & Water.

Second Affirmative Defense

Upon information and belief, the claims of the '336 patent are invalid for failure to comply with one or more of the requirements of the United States patent laws, including at least 35 U.S.C. §§ 101, 102, 103, and/or 112.

Third Affirmative Defense

Upon information and belief, 2Ci had no basis in fact or law to allege that Emerson Power & Water has infringed the claims of the '336 patent, nor did 2Ci have a reasonable expectation that further investigation would yield evidentiary support for its contention that Emerson Power & Water has infringed the claims of the '336 patent. 2Ci's filing and maintenance of this action, without any basis in fact or law, constitutes sham litigation. Moreover, on information and belief, 2Ci's assertion of this patent against Emerson Power & Water was done merely to harass Emerson Power & Water, as an attempt to preclude Emerson Power & Water from competing fairly in the market, and/or as an effort to extract large licensing fees from Emerson Power & Water by asserting baseless patent infringement claims. Thus, this action constitutes knowing misuse of the '336 patent.

COUNTERCLAIMS AGAINST CONSTANT COMPLIANCE, INC.

The Parties

1. Counterclaimant, Emerson Process Management Power & Water Solutions, Inc. (hereinafter "Emerson Power & Water"), is a corporation organized and existing under the laws

of the State of Delaware with a place of business at 200 Beta Dr., Pittsburgh, Pennsylvania 15238.

2. On information and belief, Counterclaim Defendant Constant Compliance, Inc. (hereinafter “2Ci”) is an Illinois corporation with offices in 140 South Dearborn Street, Suite 411, Chicago, Illinois 60603.

Jurisdiction and Venue

3. Subject matter jurisdiction in the Court is based upon 28 U.S.C. §§ 2201(a), 1338(a), and 1331.

4. Venue is proper in this jurisdiction pursuant to 28 U.S.C. §§ 1331, 1332(a), 1291(b) and/or 1400.

Background

5. Counterclaim Defendant 2Ci has charged Emerson Power & Water with committing acts of infringement of the ‘336 patent. Specifically, in a letter dated July 8, 2008 from 2Ci’s counsel to Mr. Robert Yeager of Emerson Power & Water, 2Ci claimed that Emerson Power & Water’s Ovation Expert System infringed claim 1 of the ‘336 patent. (*See generally* Ex. A.)

6. Emerson Power & Water’s counsel sent a response letter dated July 28, 2008, a copy of which is attached as Exhibit B.

7. In the July 28, 2008 response letter, Emerson Power & Water’s counsel informed 2Ci’s counsel that Emerson Power & Water respects the valid intellectual property rights of other companies, but informed 2Ci’s counsel that “our investigations have found that there is absolutely no evidentiary support—nor any reasonable expectation that further investigation will yield evidentiary support—for an assertion that the Ovation Expert System infringes claim 1.” (Exhibit B, page 1.)

8. The July 28, 2008 response letter proceeds to explain why Emerson Power & Water's Ovation Expert System does not infringe claim 1 of the '336 patent. (Exhibit B, page 1-2.)

9. Counsel for Emerson Power & Water requested to 2Ci's counsel that "[i]f you have evidence indicating that [Emerson Power & Water] has engaged in any of [certain listed claim limitations] and/or evidence suggesting that further investigation will likely show that [Emerson Power & Water] has engaged in such acts, please bring such evidence to our attention immediately." (Exhibit B, page 1, n.1.)

10. 2Ci never responded to the July 28, 2008 letter and never provided to Emerson Power & Water any evidence that the Emerson Water & Power Ovation Expert System infringes each and every limitation of at least one claim of the '336 patent.

11. On August 4, 2008, 2Ci filed its complaint against Emerson Water & Power, and served that complaint on August 5, 2008.

12. A justifiable controversy exists between Counterclaim Defendant 2Ci and Emerson Power & Water concerning the validity and scope of the '336 patent and with respect to the liability for the alleged infringement thereof by Emerson Power & Water.

**FIRST COUNTERCLAIM
DECLARATORY JUDGMENT OF NON-INFRINGEMENT**

13. Emerson Power & Water re-alleges the allegations of the previous paragraphs of its counterclaim.

14. None of the claims of the '336 patent have been (a) directly infringed by Emerson Power & Water; (b) contributorily infringed by Emerson Power & Water; or (c) infringed by active inducement by Emerson Power & Water.

15. Emerson Power & Water is entitled to judgment declaring that none of its products infringe the '336 patent and that Emerson Power & Water has not induced or contributed to infringement of the '336 patent.

**SECOND COUNTERCLAIM
DECLARATORY JUDGMENT OF INVALIDITY**

16. Emerson Power & Water re-alleges the allegations of the previous paragraphs of its counterclaim.

17. The claims of the '336 patent are invalid for failure to comply with one or more of the requirements of the United States patent laws, including at least 35 U.S.C. §§ 101, 102, 103, and/or 112.

18. Emerson Power & Water is entitled to judgment declaring that the claims of the '336 patent are invalid.

**THIRD COUNTERCLAIM
SHAM LITIGATION/PATENT MISUSE**

19. Emerson Power & Water re-alleges the allegations of the previous paragraphs of its counterclaim.

20. Upon information and belief, 2Ci had no basis in fact or law to allege that Emerson Power & Water has infringed the claims of the '336 patent, nor did 2Ci have a reasonable expectation that further investigation would yield evidentiary support for its contention that Emerson Power & Water has infringed the claims of the '336 patent.

21. 2Ci's filing and maintenance of this action, without any basis in fact or law, constitutes sham litigation.

22. Moreover, on information and belief, 2Ci's assertion of this patent against Emerson Power & Water was done merely to harass Emerson Power & Water, as an attempt to

preclude Emerson Power & Water from competing fairly in the market, and/or as an effort to extract large licensing fees from Emerson Power & Water by asserting baseless patent infringement claims.

23. 2Ci's filing and maintenance of this action, without any basis in fact or law merely to harass Emerson Power & Water and attempt to preclude Emerson Power & Water from competing fairly in the market, constitutes knowing misuse of the '336 patent.

JURY DEMAND

24. Emerson Power & Water demands a jury trial of all issues in this action so triable pursuant to Rule 38 of the Federal Rules of Civil Procedure.

PRAYER FOR RELIEF

WHEREFORE, Emerson Power & Water prays for a judgment that:

- A. 2Ci's Complaint be dismissed and 2Ci take nothing with respect to its claims in this action;
- B. One or more claims of the '336 patent be declared invalid and/or not infringed by Emerson Power & Water;
- C. This case be declared an exceptional case pursuant to 35 U.S.C. § 285;
- D. Emerson Power & Water be awarded reasonable attorney fees and costs of this action pursuant to 35 U.S.C. § 285; and
- E. Emerson Power & Water is awarded such other and further relief as the Court deems just and proper.

Dated: August 25, 2008

/s/ Kevin M. Nelson

Keith D. Parr
Kevin M. Nelson
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***Attorneys for Defendant – Counterclaim Plaintiff
Emerson Process Management Power & Water
Solutions, Inc.***

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the above EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC.'S ANSWER, AFFIRMATIVE DEFENSES, AND COUNTERCLAIMS TO PLAINTIFF'S FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT was electronically filed with the Clerk of the Court and served on the parties using the electronic CM/ECF filing system on August 25, 2008 and via electronic mail as indicated below.

Paul K. Vickrey (vickrey@nshn.com) Arthur A. Gasey (gasey@nshn.com) Laura A. Kenneally (kenneally@nshn.com) NIRO, SCAVONE, HALLER & NIRO 181 West Madison Street, Suite 4600 Chicago, Illinois 60602 (312) 236-0733 (312) 236-3137 (fax) <i>Attorneys for Plaintiff Constant Compliance, Inc.</i>	John A. Leja (jleja@mcguirewoods.com) MCGUIRE WOODS LLP 77 West Wacker Drive Chicago, IL 60601 (312) 849-8186 (312) 849-8187 (fax) David G. Mangum (dmangum@parsonsbehle.com) C. Kevin Spiers (kspiers@parsonsbehle.com) Catherine A. Agnoli (cagnoli@parsonsbehle.com) PARSONS BEHLE & LATIMER One Utah Center 201 South Main Street, Suite 1800 Salt Lake City, UT 84111 (801) 532-1234 <i>Attorneys for Defendant Hach Company</i>
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/s/ Kevin M. Nelson

EXHIBIT A

NIRO, SCAVONE, HALLER & NIRO

RAYMOND P. NIRO
TIMOTHY J. HALLER
WILLIAM L. NIRO
JOSEPH N. HOSTENY, III
ROBERT A. VITALE, JR.
JOHN C. JANKA
PAUL K. VICKREY
DEAN D. NIRO
RAYMOND P. NIRO, JR.
PATRICK F. SOLON
ARTHUR A. GASEY
CHRISTOPHER J. LEE
DAVID J. SHEIKH
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DAVID J. MAHALEK
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ROBERT A. CONLEY
ERIC J. MERSMANN
NICHOLAS M. DUDZIAK
LAURA A. KENNEALLY
TAHITI ARSULOWICZ

—
OF COUNSEL:
THOMAS G. SCAVONE

July 8, 2008

This letter contains a settlement proposal and is being made as part of settlement discussions between the parties. It should be understood that neither the letter nor its contents can be used in the litigation and that this and any future settlement discussions between the parties will be treated as coming under **Rule 408, Fed.R.Evid.**

VIA FEDERAL EXPRESS

Mr. Robert Yeager
CEO/President
Emerson Process Management Power & Water Solutions, Inc.
200 Beta Drive
Pittsburg, PA 15238-2918

Re: Constant Compliance/U.S. Patent No. 6,845,336

Dear Mr. Yeager:

I represent Constant Compliance, Inc. ("2Ci"), the owner of U.S. Patent No. 6,845,336 entitled "Water Treatment Monitoring System" (the "Water Treatment Monitoring Patent"). I am writing to initiate a license negotiation regarding Emerson's Ovation Expert System ("OES").

I have enclosed analysis of publicly available information comparing claims of the Water Treatment Monitoring Patent to Emerson's OES. 2Ci has asked us to contact you in the hope that we can engage in amicable license negotiations that will avoid the necessity of litigation to enforce the Water Treatment Monitoring Patent.

The Water Treatment Monitoring Patent

2Ci develops clean water technologies for public health, homeland security, and environmental protection applications. Industry, government, and communities use its technologies to safeguard people from poison and pollution. 2Ci's technologies include

Mr. Robert Yeager
July 8, 2008
Page 2

pioneering inventions in the field of water and wastewater system monitoring. As a result of its ground breaking work, 2Ci received the Innovate Illinois Award in March 2005 as Illinois' most innovative environmental small business. The innovations for which 2Ci received that award included the subject matter of the Water Treatment Monitoring Patent. This patented invention includes a computer system that predicts potential process failures, provides early warning, and recommends proactive strategies to prevent environmental catastrophes.

We believe that the Water Treatment Monitoring patent is relevant to Emerson's OES. From available public information, we have concluded a technical analysis comparing claims of the Water Treatment Monitoring Patent to the OES, and believe that Emerson would greatly benefit from a license under the Water Treatment Monitoring Patent.

Settlement Proposal

2Ci proposes a settlement including a non-exclusive license that will fully release Emerson from liability under the Water Treatment Monitoring Patent for a non-refundable lump sum royalty. If Emerson has any interest in such an approach, please contact us at your earliest convenience so we can set up a meeting to go over further details of our proposal.

This proposal can only remain available, however, before the initiation of litigation. If a lawsuit becomes necessary, all settlement proposals will be withdrawn and the matter will be left for resolution through the litigation process rather than by settlement.

2Ci's Preference for Settlement

2Ci develops and licenses technologies for environmental protection. 2Ci is not in the business of litigation, and it believes that litigation often proves to be more destructive than it is productive. On the one hand, where 2Ci believes that its intellectual property has been unfairly infringed, it will vigorously enforce its rights. As an example, I have enclosed a copy of a Complaint which 2Ci filed recently against Hach Company in the United States District Court for the Northern District of Illinois over the Water Treatment Monitoring Patent. On the other, the delays, costs and burdens involved to both sides in any lawsuit often make such an approach an unacceptable alternative to a negotiated settlement.

Because all of these considerations, 2Ci prefers to amicably but promptly resolve all issues through a settlement, rather than through litigation. To that end, we are willing to meet with your attorneys or technical representatives at the earliest time to negotiate specific terms.

Mr. Robert Yeager
July 8, 2008
Page 3

Because of the considerable urgency to conclude all license negotiations by the end of August 2008, we would very much appreciate a formal response to our proposal within the next twenty (20) days. Please also let us know if there is anything else we can provide to you to assist in your immediate evaluation of this matter. A copy of the Water Treatment Monitoring Patent is enclosed.

We thank you in advance for your cooperation.

Once you have had the opportunity to review the materials, please call me to discuss this, or have your counsel do so.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'PKV', with a large, stylized flourish extending from the end.

Paul K. Vickrey

PKV:AAG:sb
Enclosures

Comparison of '336 Patent Claims with Emerson's Ovation Expert System

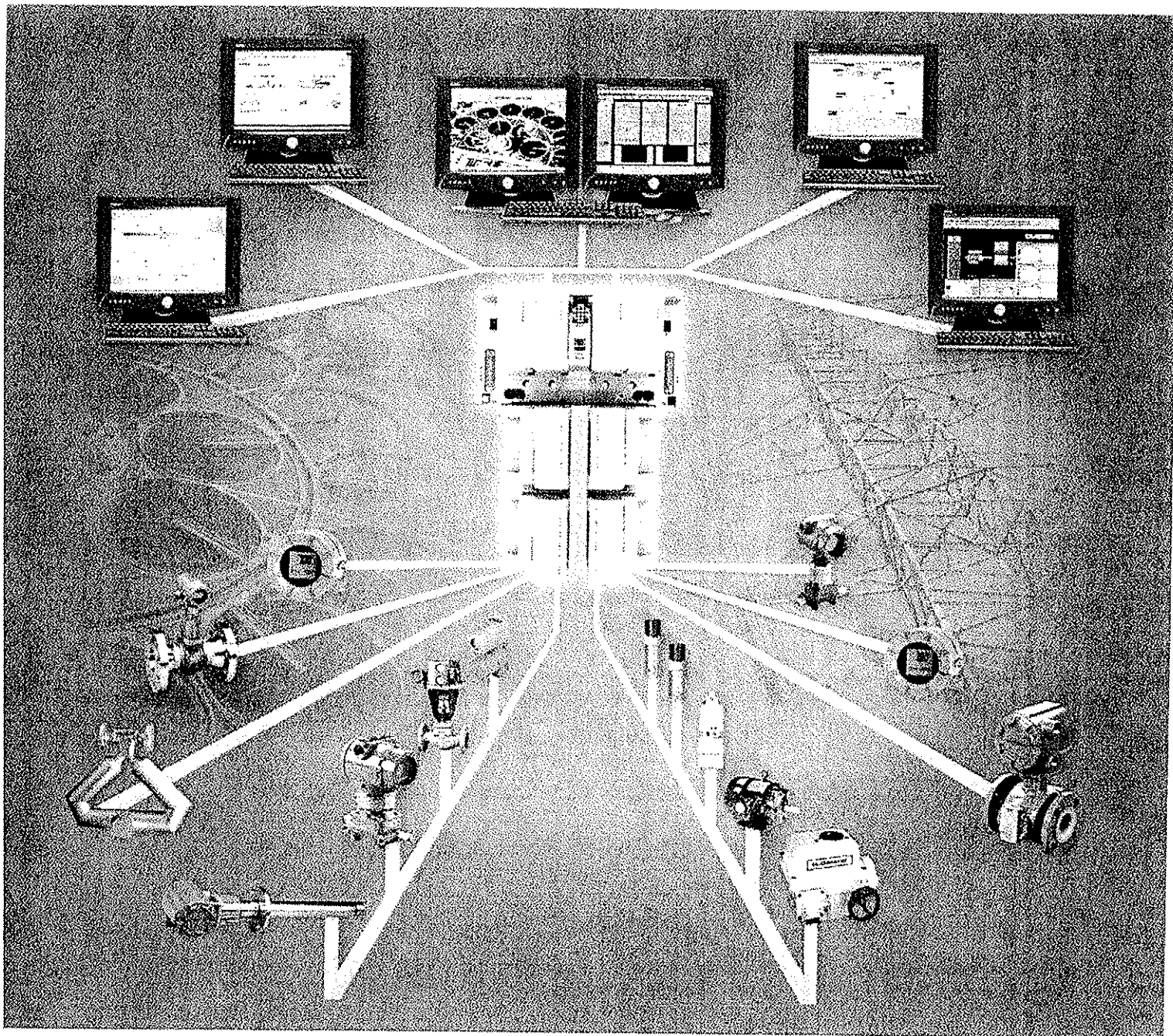
'336 Patent Claim No.	Known Features of Emerson's System
1. In a treatment facility adapted for use with water wherein pollutants are removed from the water and wherein water exiting from the facility has various acceptable and predetermined effluent quality parameters; said facility including a plurality of operational sensors for operably determining process water quality conditions while the water is in the facility; the improvement comprising:	Emerson's system, marketed as "The Ovation Expert System" (OES) is designed for water and wastewater treatment systems (where pollutants are removed from water) including sewage, cooling tower, boiler water. Please see Tab A for a general description of OES. "From instrumentation and sensors to asset management and enterprise-wide integration, Emerson is the clear choice for delivering award-winning technology and proven solutions to the water industry," said Bob Yeager, president of Emerson Process Management's Power & Water Solutions division . http://www.emersonprocess-powerwater.com/news/pr/AWWA_Overview.cfm
a. A monitoring computer at a site remote from said facility and including software to receive data from said sensors, analyze the water quality conditions inputted by said sensors and predict effluent water quality and process upsets; said monitoring computer further including an artificial neural network module to determine solutions to actual and potential water quality and process upsets; and	OES technology has remote monitoring computers and software to receive data from multiple sensors to analyze water quality conditions (Tab A, Pages 5, 2 nd column, Tab B, Page 3, col. 1, last paragraph) and predict water effluent quality and process upsets (Tab A, Page 3, Figure: Under Application Tools, See Artificial Intelligence/Abnormal Situation Prevention; Tab A, Page 4, Column 2; Tab A, Page 9, Column 1; Tab B, Page 3, Column 2: SmartProcess module). They "incorporate fuzzy logic, neural networks, and model-based predictive controls to improve economics, safety, efficiency of water and wastewater treatment facilities."
b. An internet interface operably connecting said computer to said sensors for transferring said process water quality conditions from said sensors to said monitoring computer and transferring said solutions from said monitoring computer to said facility.	OES contains internet/intranet interface connecting the computer and the sensors for transferring water quality data from sensors to the computer and from the computer to the facility operators and management (Tab A, Page 2: Top of column 3; Tab A, Page 3, Figure: Network and Security; Tab A, Page 5, 2 nd column: Ovation Network; Tab A, Page 6: Figure showing Fast Ethernet

EXHIBIT A

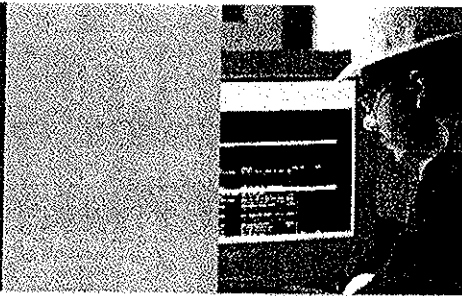
The **Ovation**® Expert System

The world's most powerful technology for secure operations and best-in-class performance.

TAB-A



Ovation — The Expert System



A key component of Emerson's PlantWeb digital architecture, the Ovation® expert control system gives users higher levels of plant availability, reliability, and environmental compliance. Optimized for the global power generation and water/wastewater treatment industries, Ovation embodies Emerson's four decades of unsurpassed expertise in the control and management of these complex operations.

Water aspect of power gen?

Gaining a competitive advantage

The Ovation expert system was designed from the ground up to help you achieve operational excellence and create a sustainable competitive advantage.

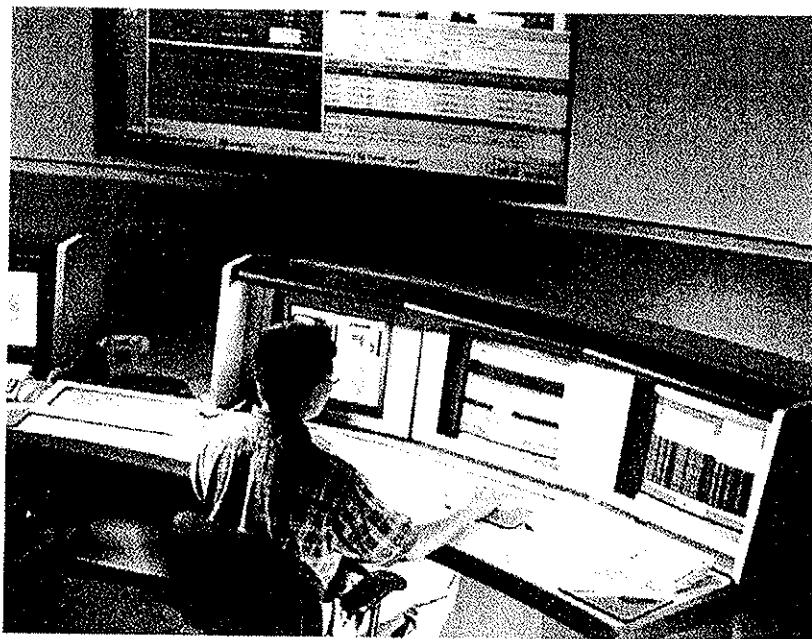
Ovation's field-proven control design techniques developed over the last four decades provide tighter, more precise and predictable control while a host of advanced control and process optimization software allows you to further enhance operations by automatically balancing the process for the optimum results.

From basic control and monitoring to fleet or district-wide integration, Ovation offers seamless communication with fieldbus networks, intelligent field devices and integrated asset management solutions to deliver the power of predictive intelligence to operations and management personnel.

Keep pace with the latest technology

By incorporating commercial, off-the-shelf technology throughout the system, Ovation provides a powerful yet adaptable platform that gives you greater operational flexibility than other systems while also protecting your engineering investment by allowing you to continually modify and expand the system to meet new challenges.

This means your Ovation system can evolve incrementally as your process grows or as technology progresses. Ovation eliminates fears of rapid system obsolescence by allowing you to stay current with state-of-the-art developments in communications, processing and advanced applications.

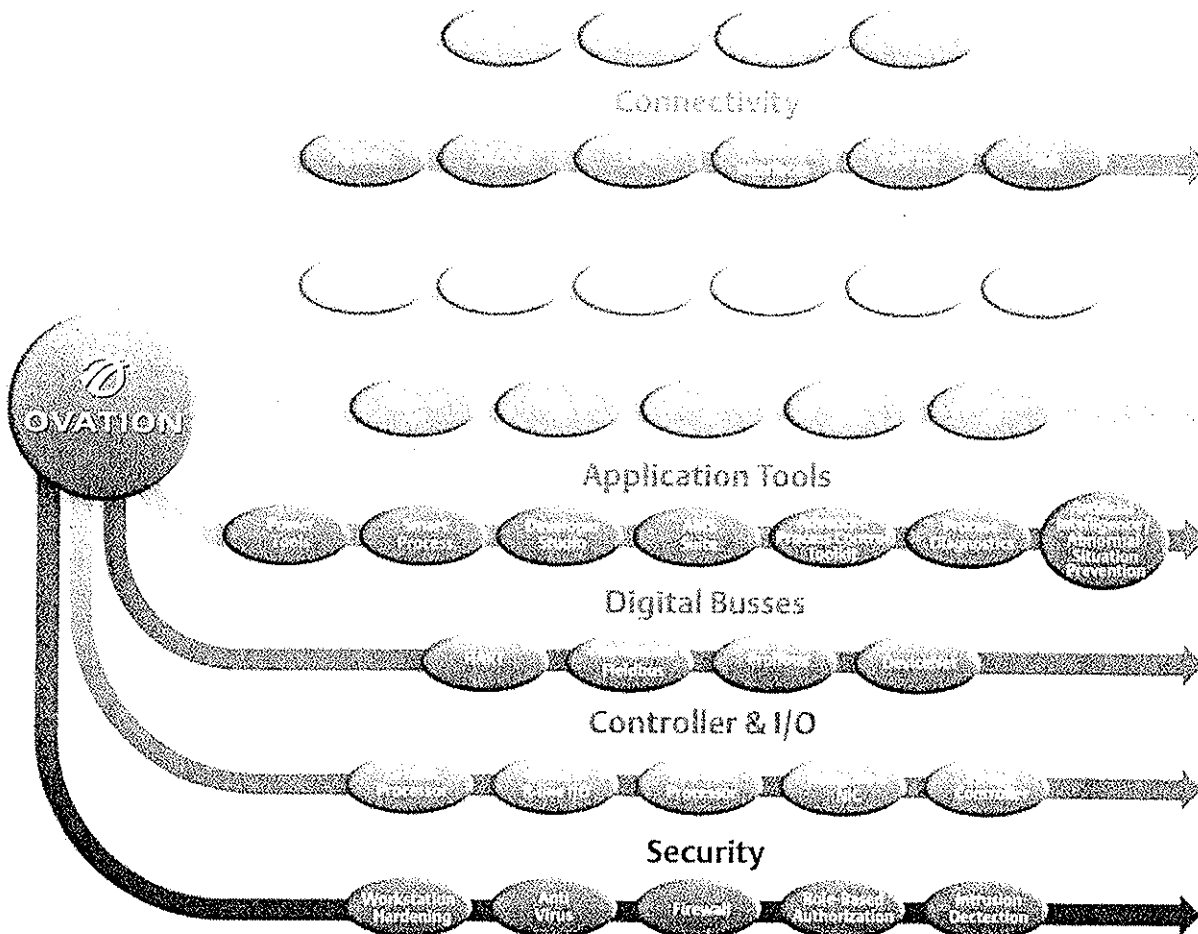


Ovation Evolution

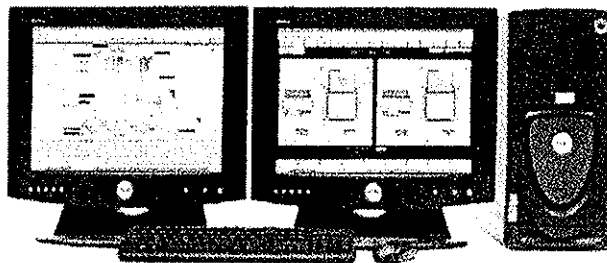
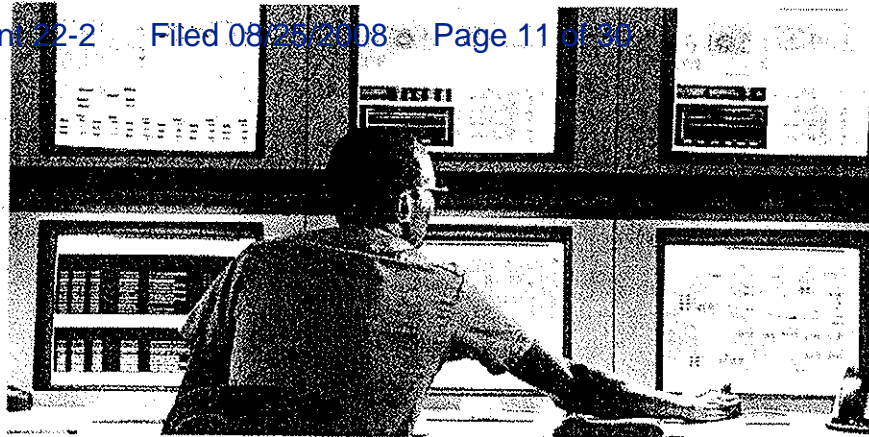
Built using industry standard hardware platforms, operating systems and network architectures, only the Ovation expert control system stays new in the face of rapidly advancing computing technology.

Ovation reduces maintenance costs and preserves your investment by incorporating industry-

standard components as opposed to the proprietary structures of the other systems. Over time, your Ovation hardware can evolve incrementally, incorporating new operating systems, hardware platforms and network topologies while preserving your vital engineering investment in control logic, graphics and operator training.



Ovation— Expert Performance



The Ovation expert system is optimized to meet the unique needs of the power generation and water/wastewater treatment industries. More than four decades of Emerson experience covering thousands of power generation and water treatment projects allowed us to tailor the Ovation expert system exclusively for these demanding processes.

Ovation includes embedded applications such as fully coordinated boiler/turbine control, emissions monitoring, economic dispatch and fleet management for power projects. For water and wastewater applications, Ovation incorporates a SCADA interface for wide-area monitoring and control, seamless PLC integration, and comprehensive diagnostics programs.

Coupled with Emerson's PlantWeb digital architecture, the Ovation expert system provides the world's

most powerful technology for secure operations and best in class performance.

Tighter, more reliable control

The Ovation expert control system is renowned for delivering precision control with outstanding performance. That precision begins with the **Ovation Controller**. Based on industry standards, the Ovation Controller is the most powerful process controller available. With an Intel Pentium® PC at its heart, the Ovation Controller provides full-redundancy to assure the reliability and security necessary for even the most demanding application.

In addition to a comprehensive set of over 100 standard algorithms, Ovation also provides the ability to embed advanced control algorithms that leverage the ever expanding computing power of the Ovation Controller. This capability allows you to take control to a higher level by incorporating fuzzy logic, neural networks, model predictive control and industry specific advanced applications to reduce process variability and optimize performance over the full range of plant operating conditions.

The Ovation expert system also provides seamless integration with intelligent field devices and widely adopted bus standards such as HART, Foundation Fieldbus, Profibus DP and DeviceNet.

Using the rich data provided by 'smart' devices, Ovation's native application of Emerson's **AMS Intelligent Device Manager** allows you to implement a predictive maintenance program that continually analyzes device health, identifying problems before they impact the process while avoiding costly and unnecessary maintenance on healthy devices.

Ovation PlantWeb Alerts

generate alarms notifying you of performance issues in field devices. **PlantWeb Alerts** include **Advisory Alerts** to assist in maintenance planning, **Maintenance Alerts** that indicate that immediate maintenance is required, and **Failure Alerts** that indicate a device has failed, allowing plant operators to react accordingly.

Clear, concise operations

Providing plant operators with a clear, concise, easy to navigate window to the process is vital to successful operations. The **Ovation Operator Workstation** accomplishes that mission with crisp, high-resolution process graphics, built-in trending data, advanced system diagnostics displays, user-friendly help screens and a sophisticated alarm management and analysis package that prioritizes alarms to quickly isolate and address problems.

Intuitive programming tools The Ovation Engineer

Workstation provides an intuitive, easy to use graphical interface that allows your personnel to focus on the plant or control process at hand, rather than the base program. It combines all of the functions of the operator workstation with the tools needed to create, configure and maintain Ovation control logic, graphics, point records, and system-wide configurations, including security.

The Engineer Workstation's Developer Studio is a graphical menu-driven interface using standard drag and drop functionality to easily move or copy elements from one application to another. The object-oriented approach to system configuration provides a familiar operating environment, thus reducing the learning curve, simplifying development, and ultimately saving significant engineering effort.

Leveraging the power of information

Ovation offers a host of capabilities that fully integrate field devices, third-party systems, and corporate networks, providing accurate process information when and where it is needed.

Intranet 2

The **Ovation Network** is an unaltered Fast Ethernet that serves as both a control and information highway providing easy connectivity to virtually any Ethernet enabled device. Ovation also offers a multi-network capability allowing you to integrate multiple Ovation control systems both within an individual plant site, or throughout a number of geographically disperse sites, streamlining the collection and correlation of information from various units.

The **Ovation Process Historian** collects and organizes the vast amount of process data from the system making it available

via the Ovation Network to operators, engineers, maintenance personnel and plant management. The Process Historian is fully redundant with archival to removable media and is designed for interface with business databases and spreadsheet applications allowing raw process data to be easily converted to valuable information.

Connectivity

The Ovation expert system also includes direct connectivity to PLCs and OEM control systems. Ovation also incorporates standard data exchange protocols such as OPC and features a Java-based Web Server application that allows real-time process graphics to be viewed on-line via corporate intranets.

Ovation Security Features

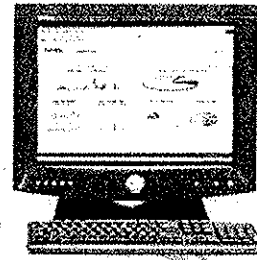
The Ovation system address security concerns such as machine authentication, password management, workstation hardening, and disabling prohibited activities. Anti virus software solutions complement Emerson's existing cyber-security measures allowing deployment of regularly updated virus definitions.



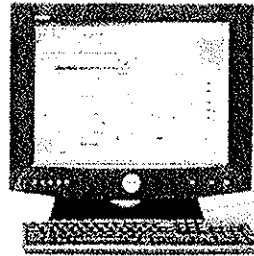
The Ovation Expert System

The Ovation expert system is a product of our four decades of experience in process control for the power generation and water/wastewater treatment industries. Ovation utilizes commercially available, off-the-shelf technology to provide a powerful and secure architecture while allowing your system to easily progress with rapidly advancing computer technologies. It provides a seamless interface with the most widely adopted bus-standards allowing you to incorporate smart device technologies into your process. And Ovation's embedded advanced algorithms and proven industry-specific control routines assure that you can optimize your operations to maximize efficiency, productivity and profitability.

AMS Suite Intelligent Device Manager

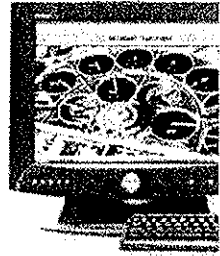


Ovation Process Historian

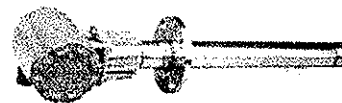
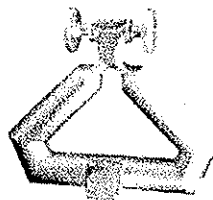


Fast Ethernet
An unaltered Fast Ethernet control & information network

Ovation Controller and I/O
Fully redundant Pentium PC controller and I/O assembly with compact modular design for reduced footprint and power consumption.

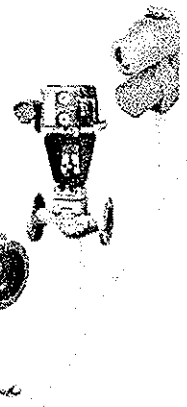


Conventional
4-20 mA



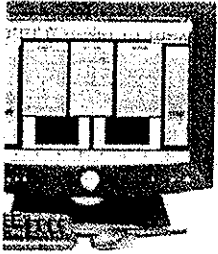
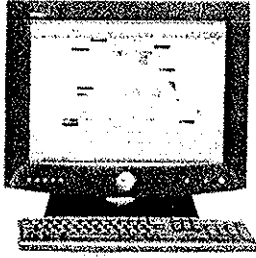
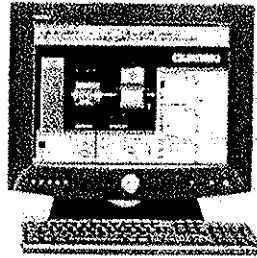
Foundation Fieldbus

Digital Bus Standards
Ovation provides direct, seamless access to the most widely adopted digital device communication standards: HART, Foundation Fieldbus, Profibus, DeviceNet.



Operators Workstation

Off-the-shelf desktop PC workstations with a standard Windows operating system

**Ovation SCADA Master****Ovation Engineer Workstation/ Developer Studio****Embedded Applications**

Ovation incorporates a host of applications to speed system engineering and maintenance, provide advanced diagnostics, facilitate communications, and optimize process operations.

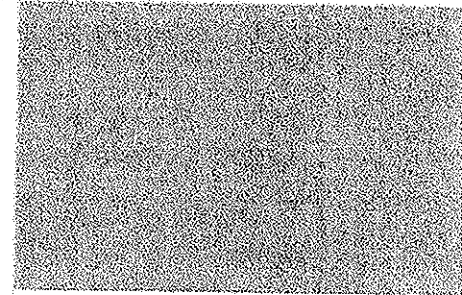
- Easy to use CAD-based Control Builder
- Highly flexible Graphics Builder
- Embedded Security Builder
- AMS Suite Intelligent Device Manager for predictive maintenance
- OPC connectivity to business systems
- Industry specific advanced control algorithms to allow on-line process optimization



HART

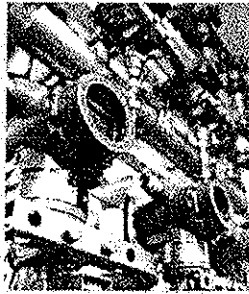


Profibus/DeviceNet



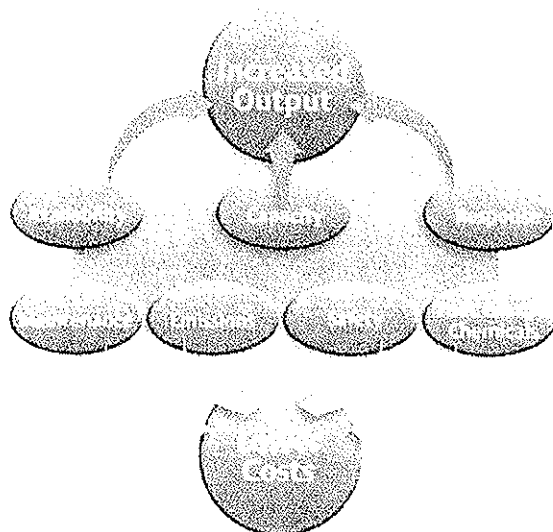
Widely adopted commercial technologies are the fundamental building blocks of the Ovation system. By incorporating these technologies Ovation provides an easy to use, easy to maintain system architecture that allows you to modify, expand and evolve the system as your needs change or as other, more advanced technologies are introduced.

Ovation Powers PlantWeb



As a key component in Emerson's PlantWeb® digital architecture, Ovation offers a growing and unequalled array of fully integrated products and capabilities to help you gain and maintain a competitive advantage for many years to come.

PlantWeb is an automation solution that delivers asset management, process control and management execution through intelligent field devices, industry standard platforms, and integrated modular software. It provides seamless connection to widely adopted digital 'smart' device communication protocols including HART, Foundation fieldbus, Profibus DP and DeviceNet.



Increased output. Lower costs. With PlantWeb, you can have both.

New project benefits

An Ovation PlantWeb architecture can reduce project installation costs up to 30% through significant savings in wiring and conduit requirements, reduced engineering expense during system configuration and commissioning, and earlier, more trouble-free plant start-up. In fact, a recent independent study showed that on a new 600 MW coal-fired power plant, the implementation of a PlantWeb architecture can result in savings as much as \$20 million.

Operational and maintenance benefits

These standard platforms in a PlantWeb architecture have been field proven in hundreds of applications to improve plant efficiency by as much as 2% by boosting plant availability, capacity and response while reducing operations and maintenance costs through the life of the plant.

Leveraging digital intelligence

The Ovation PlantWeb digital plant architecture begins with a strong foundation of intelligent field devices from industry leaders such as Fisher and Rosemount. With their digital capabilities — including onboard microprocessors, embedded

software, and open-standard communications — these field devices can...

- Deliver precise measurement and control to reduce process variability.
- Handle multiple variables to reduce the number of devices required.
- Perform diagnostics to monitor device health, predict problems, and avoid down-time.

Connecting your plant

PlantWeb uses open communication standards to link field intelligence, systems and applications in a plant wide network that delivers information when and where it's needed. Open, industry-proven communication standards let you select the best components to meet your needs, integrate them with other plant and business systems and add more products or capabilities in the future.

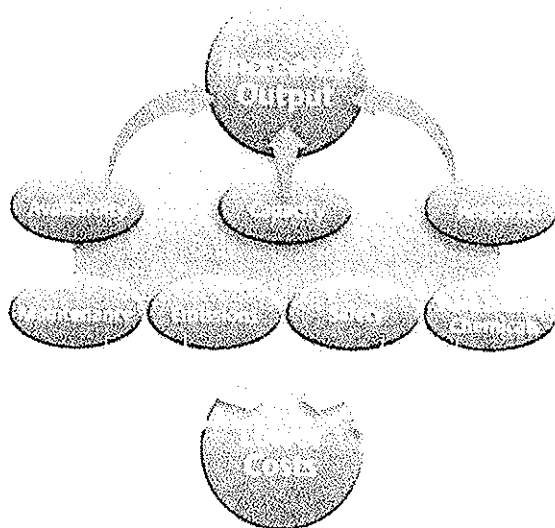
Besides supporting popular protocols from Fast Ethernet to DeviceNet, Profibus DP, and Modbus protocols, PlantWeb is the only architecture to provide a single, integrated environment that delivers the full capabilities of HART, Foundation fieldbus and OPC.

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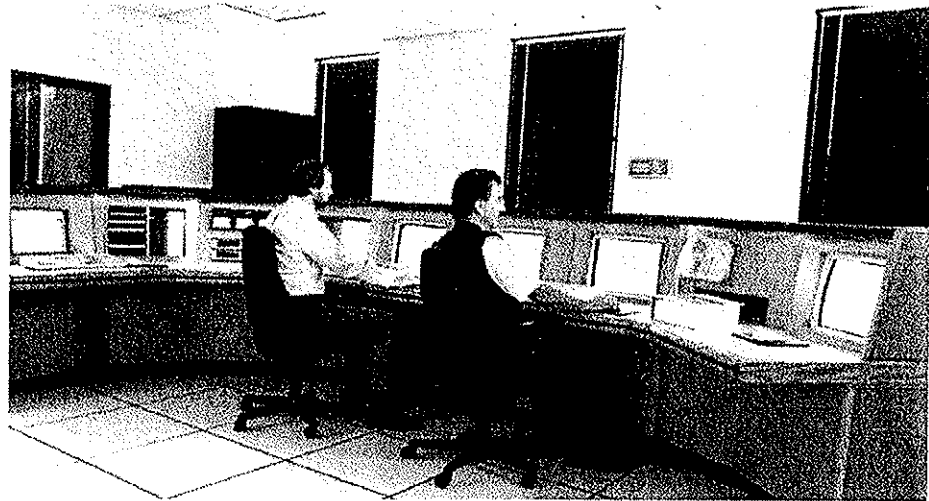
Ovation— Precision Control

Ovation's field-proven control applications design techniques developed over four decades of experience in the power generation and water/wastewater treatment industries provide tighter, more precise and predictable control.

From fully coordinated boiler-turbine control to wide area SCADA controls, Ovation controls are successfully employed in thousands of applications. Ovation also features fully automatic startup/shutdown sequencing, intelligent alarm management and automated loop tuning to align the process with current plant conditions.

Advanced Controls

A wide variety of advanced Ovation control software incorporating fuzzy logic, neural networks and model predictive control as well as other tools are available to meet the specific control challenges of power generation and water/wastewater treatment facilities.



Advanced control solutions are available for **Environmental Compliance** to support NO_x, SO₂ and CO₂ reduction and **Process Efficiency** including pump sequencing, combustion optimization, energy management and chemical usage optimization.

Other available Ovation advanced control packages include Sootblower, SCR and FGD optimization, Steam Temperature optimization, and Fleet Emissions optimization.

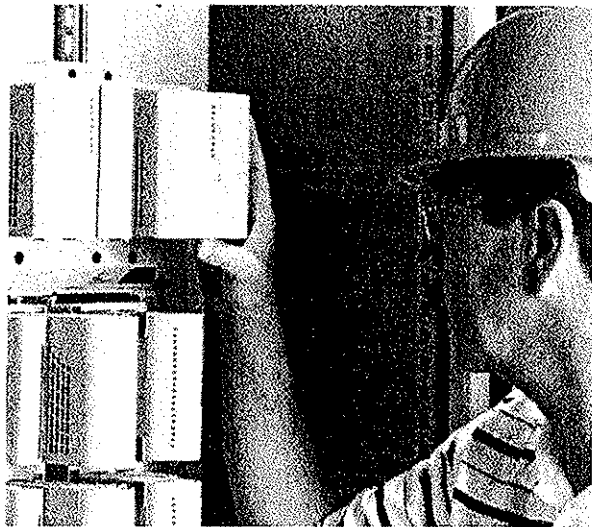
Ovation Simulators

Emerson offers the Ovation Simulator using virtual technology with full simulation capability in a reduced hardware configuration.

An Ovation Simulator using virtual technology faithfully replicates the Ovation system by using a few desktop workstations reducing hardware costs and footprint, allowing easy portability for use throughout the facility, and greatly simplifying ongoing simulator maintenance and upgrades to track ongoing control system modifications.

Ovation simulators are a valuable and flexible tool to improve plant operations. Typical applications include DCS validation prior to its installation, operator training programs, engineering upgrades, and control changes to improve plant performance.

Ovation Services



Comprehensive support for the life of the system

Behind every Ovation system stands an array of service and support capabilities to ensure your system provides the utmost in performance and reliability.

That support begins with our customer training programs. Conducted by experienced engineers at your facility or ours, our training programs provide your operators, engineers, and technicians with the knowledge and skills they need to effectively

operate and maintain your systems. Our training programs are tailored for your needs and can include custom-designed plant simulators that employ the same software and graphics used on the actual system.

We also understand the pressures to minimize plant staffs while maximizing plant performance. With that understanding, we have structured our service and support programs to provide the flexibility and responsiveness necessary to meet your needs.

Our SureService program allows you to customize a service and support program to meet your specific needs. SureService includes 24-hour telephone support, remote systems diagnostics, scheduled on-site visits, emergency service calls, and coverage for critical components. Packages

can also include training programs as "refresher" courses for experienced personnel or introductory courses for new personnel. We also offer periodic audits and assessments of system configuration based on process requirements to identify opportunities for improvement.

As an additional service, our secure, Internet-based SureNet provides off-site archiving of system software, online tutoring programs, remote system diagnostics, and custom application enhancements to increase the efficiency of your control software.

And our unique SureService Evergreen program is designed to provide scheduled, periodic hardware and software upgrades to keep your Ovation system current with rapidly advancing technology.

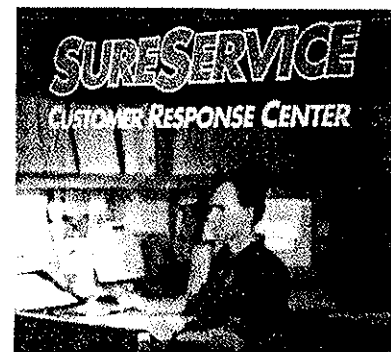


EXHIBIT B

TAB -B

SITUATION ANALYSIS: Automation in the Water and Wastewater Industries

Are You Ready?

Fact: The water and wastewater industries are operating in an increasingly challenging environment, one in which competing priorities and pressures are stretching resources to the limit.

First and foremost is the demand for clean water, which is driven by population growth and movement. In fact, it has been estimated that to meet the needs of the United States alone, more than 1,000 new treatment facilities will need to be built, extending treatment capacity by more than 5,000 million gallons per day (MGD).

At the same time, municipalities across the United States are finding it necessary to expend significant resources to rebuild aging – and failing – infrastructure and modernize existing water and wastewater treatment facilities. In fact, the EPA's latest Drinking Water Infrastructure Needs Survey and Assessment calls for an investment of \$277 billion over the next 20 years for drinking water infrastructure rehabilitation and updates. On the wastewater side, cities and water districts are undertaking Combined Sewer Overflow (CSO) upgrades that will, in some cases, require capital expenditures in the hundreds of millions of dollars each.

Are you ready?

There are challenges on the human side, too. Downsizing has cut staff and other resources below practical levels to the point that there is more outsourcing, even for previously routine internal activities. In this

environment, plant managers must be prepared to do more with less.

Are you ready?

But that's not all. Security measures that ensure the safety of the nation's water supply continue to be another top priority. Title IV of the Bioterrorism Act (Public Health Security and Bioterrorism Preparedness and Response Act) of 2002 stipulates that each community water system conduct a vulnerability assessment of its system to a terrorist attack or other intentional act that disrupts the supply of drinking water, and prepare/revise and maintain an emergency response plan. While much security work has focused on physical security – fences and perimeter security, guards, security procedures and intrusion detection, for example, efforts pertaining to contaminant detection and abatement, system hacking, and data integrity and verification have taken on an increased urgency.

Are you ready?

Now, factor in increasingly complex environmental and financial regulations. On the environmental side, the Clean Water Act, originally passed by Congress in 1972, has evolved over the years as the EPA's Office of Wastewater Management added programs and policies that promote compliance with the Act. Noteworthy examples include the National Pollutant Discharge Elimination System (NPDES) permitting program and the Combined Sewer Overflow (CSO) Policy.

There have also been major changes in financial reporting requirements in recent years. For example, GASB No. 34 (Government Accounting Standards Board Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments) requires governments to define the value of all assets and report depreciation and other expenses. As many municipalities invest public funds to automate their treatment facilities, water distribution systems and wastewater collection systems, management of those facility assets becomes an important element of compliance to this regulation.

Furthermore, the Sarbanes-Oxley Act, which was enacted by Congress in 2002 in response to corporate accounting scandals, seeks to protect investors by requiring greater transparency and accountability. While this is primarily an IT (Information Technology) issue now, it will eventually impact automation systems which are used to validate operational data that is critical for investor-owned utilities.

Clearly, the time is now for organizations to carefully evaluate their options based on a strategic vision for where automation technology will be going in the future. With this in mind, it's important to consider that the operational, regulatory, environmental and economic issues facing the water and wastewater industry will continue to evolve, and the ability to nimbly respond to the ever-changing landscape will be more important than ever moving forward. Laying the right foundation is crucial: The successful planner is one who considers this and then prepares accordingly.

So ... are you ready?

We Are!

Fact: Only Emerson Process Management offers a broad portfolio of automation, analytical and optimization solutions, combined with consultant services,

comprehensive project management, field service and technical support, that helps organizations navigate today's complex water environment. We understand the issues facing the water and wastewater industries and know that efficiently and expertly managing water and wastewater treatment processes and systems plays an important role in enabling municipalities and investor-owned utilities to effectively address these many challenges and, consequently, best serve their communities.

Emerson's PlantWeb® digital plant architecture leverages the Ovation® expert control system, Bristol ControlWave® Express low profile remote terminal units (RTU), AMS™ Suite of predictive maintenance software, intelligent field devices, valve automation and asset optimization solutions. The end result is a single seamless system that integrates real-time process and equipment information with transaction-based enterprise business systems.

Adopting the PlantWeb integrated architecture translates into a number of advantages for municipalities and investor-owned utilities facing mounting industry pressures.

From an environmental standpoint, the tighter overall control and process visibility made possible by the integrated control architecture can translate into improved management of treatment processes. For example, the control system can constantly adjust chemical deployment based on flow levels and critical process measurements, resulting in better control over the amounts of chemicals used in a treatment process.

As part of the PlantWeb approach, Emerson's Ovation system enables municipalities to take proactive steps to minimize the impact of impending wet weather events, which can wreak havoc on water and wastewater systems. Combined

Sewer Systems can overflow untreated sewage into waterways during heavy rains,

posing health, environmental, and regulatory consequences. Integrating weather monitoring capabilities into the Ovation system enables municipalities to take proactive steps to minimize the impact of impending wet weather events. Ovation system alarms notify operators of approaching rain, enabling them to initiate wet weather containment measures, such as inflatable dams, basins or tunnels, to temporarily divert/hold excess water and eliminate or minimize undesirable overflows.

Emerson plays a role in securing vital water and wastewater infrastructure at every level. The Ovation system's embedded security features enable customers to proactively address cyber security issues, such as system hacking, and data integrity and verification. We also help customers address security concerns through special services, such as security patch monitoring and system security assessments. In addition to cyber security, the Ovation system can also augment a municipality's existing physical security efforts. Video security monitoring, for example, can be integrated into the Ovation system to guard against potential sabotage at the plant and remote locations, such as pumping stations.

At the device level, Emerson offers on-line analysis systems, instruments, and sensors that help plants safeguard the water infrastructure. For example, Emerson's Model WQS multi-parameter electrochemical/optical water quality system is an online system that continuously measures several critical water quality variables – such as pH and ORP, conductivity, temperature, free chlorine and monochloramine, oxygen and turbidity – at strategic points in the treatment and distribution system. A change in these parameters can signal to the plant operator that a contaminant event has occurred so that appropriate action can be taken. This ETV-certified solution provides constant measurement of water quality, and detects deviations in expected values, a critical step toward ensuring safety and quality of water treatment and distribution systems.

Emerson also offers a wide range of other intelligent field devices, including Fisher® digital valves; Rosemount® pressure, level and temperature transmitters; Mobrey® ultrasonic and hydrostatic transmitters; Micro Motion® Coriolis flow and density meters; and Rosemount Analytical devices that provide continuous real-time health information to power AMS Suite predictive maintenance applications. Furthermore, CSI Machinery Health™ Management solutions help users reduce machinery operating costs and maximize the life of pumps, motors and other rotating equipment.

While diverse, evolving financial and environmental regulations have one thing in common: they all call for access to operational data to fulfill reporting requirements. In organizations where financial and operational information resides on separate – and often incompatible – systems, it is difficult and time consuming to obtain the necessary combination of information required for reporting. Our PlantWeb architecture seamlessly integrates information not only at the plant level but also on a district-wide basis, streamlining the reporting process for additional, measurable benefits.

Emerson's SmartProcess® plant optimization software offers additional opportunities for cost savings and operational efficiencies. SmartProcess modules incorporate fuzzy logic, neural networks and model-based predictive controls to improve the economics, safety and efficiency of water and wastewater treatment facilities. The SmartProcess Economic Optimizer optimizes water treatment and wastewater treatment processes to minimize costs, reduce equipment wear and tear, and balance tradeoffs, such as low and high flow. This solution can be applied to many key areas of operation within the plant and throughout the water system, including chemical usage (modeling chemical usage for acids and

bases for process utilization to adjust the pH ensures the most efficient – and therefore

cost effective – use of chemicals) and pump optimization (optimizing the timing and location of pump usage reduces equipment wear and tear, and minimizes electricity costs).

Additionally, the SmartProcess Global Performance Advisor monitors and benchmarks equipment performance against design specifications. This package provides operators of water and wastewater facilities with the ability to quickly identify, then address, problematic areas, which then translates into improved equipment performance and reduced operating costs.

In this era of increased accountability, it's no surprise that one of the factors that makes integrated control systems appealing to municipalities of all sizes is their use of widely recognized, commercially available hardware, software, networking and communication interfaces. A major benefit of this open systems approach versus proprietary systems is that it allows organizations to easily and cost-effectively modify and expand the system without the risk of obsolescence. The open system design of today's cutting-edge technologies also allows for integration with existing higher-level business systems for a comprehensive view of the entire

organization that, in turn, facilitates more informed decision making.

The Choice is Yours

It seems certain that the issues facing the water treatment industry will keep evolving. What is less certain is this: How prepared will you be to respond?

Implementing an integrated control architecture as part of a multi-year automation master plan enables municipalities to build on existing resources as circumstances dictate. For although the pressures in which the water and wastewater industries operate may be complex, the bottom line is simple: adopting an integrated monitoring and control approach improves the economics of water and wastewater organizations by delivering operational flexibility, improved reliability, increased operating efficiencies, the ability to meet operations and maintenance budgets, and maintain environmental and regulatory compliance.

The decisions you make now affect your ability to respond in the future.

Are you ready?

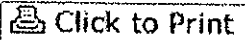
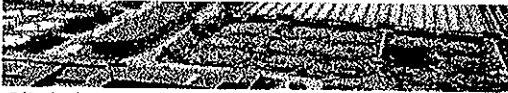
October 2006

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Peter Dossing, Emerson Process Management
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[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)[Click here to enlarge image](#)*The Stickney Water Reclamation Plant in Chicago*

Emerson wins deal to install control system at world's largest WWTP

PITTSBURGH, May 16, 2005 (BUSINESS WIRE) -- Emerson Process Management, a business of Emerson, has signed a major, multi-year agreement with the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC).

Emerson will install its Ovation[®] expert control system at the District's Stickney Water Reclamation Plant (WRP), the largest wastewater treatment facility in the world with a capacity to process 1.3 billion gallons per day. The Stickney WRP serves 2.4 million people in a 260-square-mile area including downtown Chicago and 43 suburban communities.

As part of the agreement, Emerson will supply hardware, software, programming, factory testing, training, and on-site startup and testing, as well as extended maintenance and service. The installation of the Ovation system will be done over the next several years, with a potential value to Emerson of more than \$25 million. The company's Power & Water Solutions industry center will oversee and supervise the effort, which is the third major project Emerson has had with the District.

"An expert control system like Ovation can be expected to generate overall operation and maintenance efficiencies through improved data acquisition, process monitoring and control -- and those benefits are magnified exponentially when you consider a project of this size," said John Berra, president of Emerson Process Management. "The Stickney plant represents an opportunity to showcase the power of our fully integrated distributed control solution on a grand scale."

Emerson Process Management (www.emersonprocess.com), an Emerson business, is a leader in helping businesses automate their production, processing and distribution in the power, water and wastewater treatment, chemical, oil and gas, refining, pulp and paper, food and beverage, pharmaceutical, and other industries.


Emerson's Power & Water Solutions division (www.emersonprocess-powerwater.com) is a global supplier of advanced distributed process control and information systems. The Pittsburgh-based company is a recognized leader in developing plant-wide process control solutions for the power generation, water treatment and wastewater treatment industries. Power & Water Solutions plays a key role in the Emerson mission of combining superior products and technology with industry-specific engineering, consulting, project management and maintenance services.

Emerson (www.gotoemerson.com), based in St. Louis, is a global leader in bringing technology and engineering together to provide innovative solutions to customers through its network power, process management, industrial automation, climate technologies, and appliance and tools businesses. Sales in fiscal 2004 were \$15.6 billion.

###

Find this article at:

http://www.pennnet.com/display_article/227916/41/ARCHI/none/PROJE/1/Emerson-wins-deal-to-install-control-system-at-world's-largest-WWTP

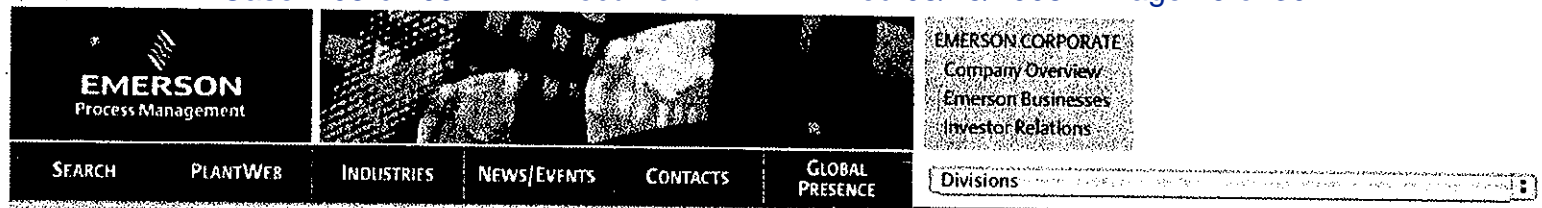
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News/Events

Press Releases

Emerson Wins Contract to Install Digital Automation Architecture at New Croton Water Filtration Plant

Emerson's PlantWeb® digital plant architecture with Ovation® expert control system will automate 290 MGD, underground plant supplying water to New York City

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PITTSBURGH, PA (October 26, 2007) — Emerson Process Management, a business of Emerson, announced today that it has received a contract to install PlantWeb® digital automation architecture with the Ovation® expert control system at the Croton Water Filtration Plant, which is under construction in New York City's Bronx borough. The contract was awarded by the project's general contractor, Skanska/Tully, a joint venture of Skanska USA Civil NE and Tully Construction.

When completed in 2012, the Croton Plant, which is the first water treatment plant located within New York City's five boroughs, will filter up to 290 million gallons of water per day from the Croton water system, which consists of 12 reservoirs and three controlled lakes located in Westchester, Putnam and Dutchess counties. Croton is one of New York City's three reservoir systems, typically providing 10 percent of the city's water, although that can increase to 30 percent in times of drought. Water from the Croton system is primarily used in low-lying areas of the Bronx and Manhattan. The new four-story plant, which is unique in that it is being built underground, is needed to meet the public water supply and health needs of New York City, and comply with current and future water quality regulations. It will be operated by the New York City Department of Environmental Protection.

"By filtering water from the Croton water system, this new plant will help provide safe drinking water for the residents of New York City," said Mitch Goldstein, senior electrical project manager, I&C coordinator, Skanska USA Civil NE. "For this important project we selected Emerson based on their proven automation and control technology, coupled with their significant experience with major water treatment projects like Croton."

"A number of cities, including Detroit, San Diego and Washington, D.C., rely on Emerson's automation and control solutions to help them ensure cleaner, safer water supplies and reduce environmental hazards," said Bob Yeager, president of Emerson's Power & Water Solutions division. "We're delighted to now be able to count New York City among the municipalities that have selected Emerson to be a vital part of the ongoing operation of their water treatment facilities."

Emerson's Ovation expert control system, which is part of Emerson's PlantWeb digital automation solution, will monitor and control approximately 15,000 I/O points related to the new plant's operations, including chemical feed systems, backwash systems and balance-of-plant processes. Emerson will provide four redundant Ovation controllers, 12 workstations, four operator interface terminals, AMS™ Suite, and Emerson smart devices, including Rosemount magnetic flowmeters, pressure and temperature transmitters, and chlorine analyzers. Emerson will also be responsible for supplying computers, as well as network design and installation, for the administrative offices that are a part of the underground complex. The contract also includes a three-year hardware maintenance agreement.

About Emerson Process Management

Emerson Process Management (www.emersonprocess.com), an Emerson business, is a leader in helping businesses automate their production, processing and distribution in the power, water and wastewater treatment, chemical, oil and gas, refining, pulp and paper, food and beverage, life sciences, and other industries.

Emerson's Power & Water Solutions division (www.emersonprocess-powerwater.com) is a global supplier of advanced distributed process control and information systems. The Pittsburgh-based company is a recognized leader in developing plant-wide process control solutions for the power generation, water treatment and wastewater treatment industries. Power & Water Solutions plays a key role in the Emerson mission of combining superior products and technology with industry-specific engineering, consulting, project management and maintenance services.

Emerson brands include PlantWeb®, Ovation®, SmartProcess®, Fisher®, Micro Motion®, Rosemount®, Mobrey®, Daniel®, Bristol®, DeltaV™, and AMS™ Suite.

About Emerson

Emerson (NYSE: EMR), based in St. Louis, is a global leader in bringing technology and engineering together to provide innovative solutions to customers through its network power, process management, industrial automation, climate technologies, and appliance and tools businesses. Sales in fiscal 2006 were \$20.1 billion. For more information, visit www.GoToEmerson.com.

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Ovation®, SureServiceSM, SmartProcess®, PlantWeb®, Fisher®, Micro Motion®, Rosemount®, Mobrey®, Daniel®, Bristol®, DeltaV™ and AMS™ are marks owned by one of the Emerson Process Management legal entities. Other marks are the property of their respective owners.

Send comments to:
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Last Updated: 3/20/2008

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Legal and Privacy Statements

EXHIBIT B

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July 28, 2008

By Federal Express and Email (vickrey@nshn.com)

Paul K. Vickrey
Niro, Scavone, Haller & Niro
181 West Madison Street-Suite 4600
Chicago, Illinois 60602-4635

Re: Constant Compliance / U.S. Patent No. 6,845,336

Dear Mr. Vickrey:

We write to you as outside patent counsel for Emerson Process Management Power & Water Solutions, Inc. (P&WS) in response to your July 8, 2008 letter to Robert Yeager inviting P&WS to enter into negotiations with your client concerning U.S. Patent No. 6,845,336 ("the '336 patent").

It is P&WS's long-standing policy not to knowingly infringe the valid intellectual property rights of others and to investigate any properly substantiated allegations of infringement made against it. While your letter did not make any express allegations of patent infringement, it included a chart that purported to compare a single claim of the referenced '336 Patent to P&WS's Ovation Expert System.

We have investigated the alleged relationship between claim 1 of the '336 Patent and the Ovation Expert System. Our investigations have found that there is no relationship between the subject matter of claim 1 and the Ovation Expert System. Moreover, our investigations have found that there is absolutely no evidentiary support—nor any reasonable expectation that further investigation will yield evidentiary support—for an assertion that the Ovation Expert System infringes claim 1.

Specifically, and without limitation, our investigations have found that P&WS has never: (a) created or used a monitoring computer at a site remote from such a facility to implement an artificial neural network in a wastewater treatment facility; (b) used an artificial neural network to "determine solutions to actual and potential water quality and process upsets;" or (c) used an internet interface to transfer solutions determined by a neural network at a location remote from a treatment facility to a treatment facility.¹

¹ If you have evidence indicating that P&WS has engaged in any of (a)-(c) and/or evidence suggesting that further investigation will likely show that P&WS has engaged in such acts, please bring such evidence to our attention immediately. At this time, we have found nothing that suggests that any such

Paul K. Vickrey
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In light of the above, you will understand why our client does not believe that licensing discussions between your client and P&WS concerning the '336 Patent are necessary.

Nothing in this letter is intended, or should be construed by you, as a waiver of, or as an offer to waive, any rights of our client whatsoever, and our client reserves all rights.

If you have any questions or wish to discuss this matter, please contact us. In the absence of a further response from you or your client, we will consider this matter to be closed.

Sincerely,



Robert McAughan, Jr.

evidence exists and, to the contrary, our investigations have found that P&WS has not engaged any such acts.